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ABSTRACT

This report, submitted to the 71st Texas Legislature in fulfillment of the mandates contained in House Concurrent Resolution 84, summarizes a study of the feasibility of an 8-year cycle for the adoption of certain textbooks and considers the feasibility of contracting with textbook publishers on a freight prepaid basis. First, 6-year versus 8-year textbook adoption cycle is discussed in terms of essential elements, and curriculum, as well as pedagogical, equity and cost considerations. The State Board of Education recommended that the 6-year textbook adoption cycle be maintained in order to guarantee up-to-date textbooks. The second section discusses prepaid freight in terms of ordering, shipping, and distributing textbooks. The depository system is also discussed with relation to impact on publishers, school districts, and state. First, the maintenance of the present depository system was recommended and the second recommendation was that the board not be required to contract with textbook publishers on a freight prepaid basis. Nine pages of attachments/illustrations are appended. (SI)

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REPORT ON A SIX-YEAR VERSUS EIGHT-YEAR TEXTBOOK ADOPTION CYCLE AND PREPAID FREIGHT

FROM THE STATE BOARD OF EDUCATION

TEXAS EDUCATION AGENCY
AUSTIN, TEXAS

U.S. DEPARTMENT OF EDUCATION
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JANUARY 1989

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A Report on
A Six-Year Versus Eight-Year
Textbook Adoption Cycle

Prepared by the
Texas State Board of Education

In response to
House Concurrent Resolution 84

Enacted by the
Seventieth Texas Legislature

And Submitted to the
Seventy-First Texas Legislature

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December 1988

TO: The Honorable William P. Clements Jr., Governor of Texas
The Honorable William P. Hobby, Lieutenant Governor of Texas
The Honorable Gibson D. Lewis, Speaker of the House
Members of the Seventy-First Legislature

House Concurrent Resolution 84, Seventieth Legislature, directed the State Board of Education to report to the Seventy-First Legislature on the feasibility of an eight-year textbook cycle for the adoption of certain textbooks and the feasibility of contracting with textbook publishers on a freight prepaid basis. The board was to consider all reasonable means of reducing costs in these areas without compromising the quality of services. The attached report presents the board's findings and recommendations in response to this resolution.

The appointed State Board of Education devoted a significant amount of time to the review of all aspects of the textbook adoption process. For example, board rules have been revised and operations changed to improve the entire system. As a result, we leave office with higher quality textbooks available for use by the students of Texas. Even so, we recognize that further improvements in the quality of books must be made if Texas children are to be prepared to live and work in the future Texas economy.

In this context, the board strongly recommends that all textbooks continue to be adopted on a six-year cycle. House Bill 72 mandated that textbooks be used for a maximum of six years. With the current knowledge explosion, textbooks simply must continue to be updated at least every six years. Texas will not be able to compete in the international marketplace unless students have access to current instructional materials. Changing to an eight-year cycle for certain books would derail the drive for excellence in Texas public education.

Similarly, the board recommends that the current depository system be maintained and that textbooks not be purchased on a freight prepaid basis. The system is now operating efficiently and effectively. Contracting for books on a freight prepaid basis would impose undue burdens on local school districts, both in terms of additional costs and paperwork. These would outweigh any possible savings to the state.

Although changes in these areas are not recommended, the board does recommend other statutory changes to improve the quality of the textbook system. In particular, an increase in the number of persons on the state textbook committee would ensure a higher level of expertise. If this, and other recommended changes in the textbook system are enacted, we believe that Texas students will have equitable access to the high quality materials which they need, and the citizens of Texas expect.

Respectfully submitted,

Jon Brumley

Jon Brumley, Chairman
State Board of Education

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Executive Summary: Report on A Six-Year Versus Eight-Year Textbook Adoption Cycle and Prepaid Freight

House Concurrent Resolution (HCR) 84 (Attachment I) directed the State Board of Education to study the feasibility of an eight-year cycle for the adoption of certain textbooks and to consider the feasibility of contracting with textbook publishers on a freight prepaid basis. The state board was directed to report its findings and recommendations to the Seventy-First Texas Legislature when it convenes in January 1989.

Working toward a response to the resolution, the State Board of Education requested that the Commissioner's Ad Hoc Advisory Committee on the Operation of the Texas Textbook System and staff of the Texas Education Agency review the state's textbook adoption system and the textbook depository system and report the findings to the board. In its study of the feasibility of an eight-year cycle for the adoption of certain textbooks and prepaid freight, the State Board of Education considered all reasonable means of reducing costs to the state without compromising the quality of its services, as stipulated in HCR 84. To this end, the state board offers the conclusions and recommendations set forth below:

Six-Year Versus Eight-Year Adoption Cycle

The State Board of Education recommends that the six-year cycle be maintained to ensure that textbooks are current in curriculum and instructional methodologies. Because of the knowledge explosion, the six-year cycle is critical to guarantee students have textbooks that are as up-to-date as possible.

Prepaid Freight

Based on the magnitude of the created costs which would emanate from contracting with publishers on a prepaid freight basis (i.e. administration, recordkeeping, warehousing, communications, computer hardware, and interstate freight for school districts) in the state and textbook publishers, the State Board of Education recommends to the Seventy-First Texas Legislature that the present textbook depository system be maintained. The State Board of Education also recommends that it not be required to contract with textbook publishers on a freight prepaid basis.

Based on all available information to the State Board of Education, the following report is submitted to the Seventy-First Texas Legislature in fulfillment of the mandates contained in House Concurrent Resolution 84. The report contains two major sections:

I. Six-Year Versus Eight-Year Textbook Adoption Cycle

II. Prepaid Freight

I. Six-Year Versus Eight-Year Textbook Adoption Cycle

The Essential Elements

In March 1984, to comply with Section 21.101 of the *Texas Education Code* (i.e. House Bill 246), the State Board of Education adopted essential elements of instruction for subjects and courses for each grade, kindergarten-grade 12. The essential elements are the State Board of Education's rules for curriculum (19 TAC Chapter 75) and, as such, comprise the basic curriculum for Texas public schools. They provide for the sequential development of basic skills and concepts by subject and grade needed by Texas public school graduates. They are the core knowledge, skills, and competencies students need to be effective and productive members of society.

According to Chapter 75, during the school year 1990-91 and every five years thereafter, the state board is to review and evaluate the appropriateness of the essential elements and other provisions of Chapter 75. Based upon the results of the five-year assessments, the state board may modify the essential elements. As part of this process, the Texas Education Agency staff conducts an annual statewide review of curriculum and related issues. Groups of educators from all general and vocational education disciplines convene in zone meetings across the state. They assess strengths and weaknesses of each essential element and make consensus recommendations. These recommendations form the basis for the board's consideration for further improvements of the curriculum.

The Essential Elements and Textbooks

The *Texas Education Code* Section 21.101(c) and the State Board of Education's rules for curriculum (19 TAC Section 75.3) require that each school district provide instruction in the essential elements in a manner which will enable all of its students to participate actively in a well-balanced curriculum and to master, to the best of their abilities, the knowledge, skills, and competencies established in the essential elements. The textbook is a primary means to instruct students in the essential elements. Each year, the State Board of Education issues its textbook proclamation calling for bids from textbook publishers as mandated by the *Texas Education Code* (TEC), Section 12.34(k):

> To insure that current material is always available to the school children of Texas and to enable the development of material in an orderly and efficient manner, the State Board of Education shall develop and implement a balanced adoption cycle for proclamation of needs for textbooks and other instructional material. . . .

The essential elements and consensus recommendations generated from the statewide curriculum review are the basis of the development of the annual proclamation. The proclamation specifies for textbook publishers what content is to be included in texts. Proclamations have listed essential elements since they first were adopted by the state board in 1984. In addition, the proclamation typically specifies instructional strategies, teaching methodologies, assessment procedures, and lists limitations of price, durability, and packaging. The State of Texas is recognized for having some of the most stringent proclamation specifications in the nation. These standards are the primary means for assuring that textbooks offered for adoption are of high quality and appropriate for instruction in Texas' public schools.

Prior to House Bill 72, the adoption cycle mandated by TEC Section 12.34(k) was for eight years. However, to ensure that current material would be available to the school children of Texas, the state legislature

mandated in House Bill 72 that the state move from an eight-year adoption cycle to a six-year adoption cycle. In effect, the Sixty-Eighth Texas Legislature communicated to the State Board of Education that six years was the longest that any textbook should be in use in order to ensure current material.

Chapter 75 created new courses for which there were no textbooks. Also, textbooks in use prior to 1984 did not provide instruction in the essential elements. As a result, there are essential elements for subjects for which textbooks are yet to be adopted, and school districts must implement courses without appropriate textbooks which correlate with the essential elements. These include junior high and high school literature, mathematics, sciences, foreign languages, and social studies. If the six-year cycle established by House Bill 72 remains unchanged, there will be textbooks for each of the new courses created by Chapter 75 by school year 1991-92, as well as all other subjects. This transition from an eight-year to a six-year cycle and the transition to an expanded array of subjects has been costly. For example, costs have increased sharply because more subjects are adopted each year of a six-year cycle than in each year of an eight-year cycle. Moreover, costs have risen sharply as publishers have had to develop textbooks for those new courses created by Chapter 75.

The Six-Year Versus the Eight-Year Cycle: Curriculum, Pedagogical, and Equity Considerations

Through House Bill 72, the state legislature mandated a six-year textbook adoption cycle. There are a number of compelling curriculum and pedagogical reasons supporting continuation of this cycle. First, since the textbook is a primary means to instruct students in the essential elements, the essential elements are delivered to the students in a more timely fashion. Second, the six-year cycle provides for a more timely incorporation into the textbooks of current research in instructional strategies and methodologies. For example, current research findings and teaching approaches are vital to the development of language arts textbooks, including spelling texts and basal readers. New strategies that call for the integration of reading, writing, and spelling have promise of improving students' skills in all language arts.

Equity in instructional resources is also increased through a six-year cycle. To illustrate, textbooks in areas such as mathematics, science, and computer science are impacted almost daily by rapidly changing technology. When the curricula of these books become outdated, affluent districts simply purchase new books and software so their students will have appropriate and current materials. However, less wealthy districts typically are not able to purchase such supplementary materials. This leads to instructional inequities for students resulting from the property wealth of their districts.

Six-Year Versus Eight-Year Adoption Cycle: Cost Considerations

The *Texas Education Code* Section 12.34(k)(3) requires that the total cost of new adoptions be approximately equal for each year of the adoption cycle. Presently, 210 subjects are spread over the six-year cycle mandated by House Bill 72 in such a way that the total cost for each adoption year is approximately equal to the other years. To offer its recommendations on a six-year versus eight-year adoption cycle, the Ad Hoc Advisory Committee on the Operation of the Texas Textbook System conducted an analysis of textbook replacement patterns for a sample of 15 titles in Grade 7 (eight titles) and Grade 8 (seven titles) from 1975-76 to 1987-88. The analysis identified the number of textbooks purchased each year after the third year of the contract for each title to determine the textbook replacement factor. The sum total of the books

purchased during the fourth year and thereafter was multiplied by the unit price of each title to arrive at the total cost and percentage of textbooks replaced. The first three years of a contract were not analyzed since the replacement of textbooks during the first three years is negligible.

The Ad Hoc Committee analysis revealed that the higher-use textbooks typically begin to wear out during their fourth year and thereafter. The textbook replacement factors for both a six-year and an eight-year contract are as follows:

Year of Contract	(A) Average Replacement Factor		(B) Enrollment Increase Factor	(C) Adjusted Replacement Factor	
4th	4%	(minus)	1.5%	2.5%	
5th	12%	(minus)	1.5%	10.5%	
6th	18%	(minus)	1.5%	16.5%	29.5%
7th	33%	(minus)	1.5%	31.5%	
8th	33%	(minus)	1.5%	31.5%	63.0%
	Standard Replacement Factor Total				92.5%

(A) This represents the percentage of textbooks which will need replacement at the end of the contract year indicated. The replacement factor includes textbooks which are worn out, damaged, and lost, as well as textbooks needed to meet increased enrollment in the state each year.

(B) Based on agency pupil projection models, the state's enrollment is expected to increase approximately 1.5% per year after the 1991-92 school year. The 1.5% is subtracted from the replacement factor (A) since it is a necessary cost to meet increased enrollment in the state.

(C) This percentage represents what the adjusted level of replacement will be for both a six-year and an eight-year cycle.

The preceding table indicates that the state expends 29.5% above what a six-year textbook adoption cycle costs. To illustrate: The total cost for the 210 titles which are to be adopted for a six-year contract would be $527,463,453. Additionally, the state would expend $155,601,718 (29.5%) of the six-year contract total for replacement of textbooks due to usage. These costs would be incurred during the fourth, fifth, and sixth year of the contracts. The replacement cost under an eight-year cycle would increase to 92.5% if the average for the sample were extended to all textbooks. Based upon this analysis, the Ad Hoc Committee recommended the state continue the six-year cycle.

To assess further the textbook costs of the six-year adoption cycle versus the eight-year adoption cycle, the following analysis was done by agency staff. A set of ratings based on the curriculum and pedagogical considerations discussed previously was developed to determine if a textbook could be adopted for a six-year cycle rather than an eight-year cycle. Each subject (210 titles) for six annual proclamations was assessed as to its need and extent for periodic curriculum changes and its need to utilize current research in instructional strategies and methodologies. A third rating also was developed: the frequency and intensity of use of that particular subject's textbook by students. A scale of high (3 points), medium (2 points), and

low (1 point) was applied, and a combined rating for each subject was derived. Each subject ended up with a combined total ranging from 3 (1 point for each factor) to 9 (3 points for each factor). Subjects with an assigned total of 7 to 9 points are listed on the six-year cycle (Illustration 1). Subjects with an assigned total of 3 to 6 are listed on the eight-year cycle (Illustration 2). Utilizing the rating scales, curriculum experts from the agency determined that 117 of the 210 titles could be adopted every six years. The remaining 93 titles could be adopted every eight years if the Legislature mandated use of an eight-year cycle for certain textbooks. The State Board of Education, however, recommends that all 210 titles be adopted every six years instead of eight.

By distributing the 210 titles of the six proclamations over a six-year and an eight-year cycle, different costs were obtained. For the first six-year cycle, the costs would be based on the number of titles which require adoption more frequently due to curriculum changes, advances in research, and intensity of utilization by students. The state would expend $386,390,251.64 for 117 titles selected for a six-year contract plus $113,985,124.23 (29.5%) of the total amount for this cycle for replacement of textbooks, for a total of $500,375,375.87. These figures would be repeated every six years, subject to inflationary cost increases in textbook prices. For purposes of this analysis, an increase in the consumer price index of 3% per year was assumed, or 19.4% compounded at the end of a six-year contract. The cost profile for the six-year contracts would be as set forth below **if** the following assumptions were fulfilled: (a) the consumer price index rose 3% each year, (b) publishers' bid prices approximated the rise in the consumer price index, (c) intensity of use for each of the titles remained the same, (d) advances in research and in the curricula continued at the same rate of change, and (e) the projected enrollment increases were realized.

Fiscal Year 1990-1995
6-year contract based on bid price of titles adopted **plus**
29.5% replacement factor
Total cost for 117 titles: $500,375,375.87
Average cost per title: $4,276,712.61

Fiscal Year 1996-2001
6-year contract based on bid price of titles adopted, **plus**
29.5% replacement factor, **plus** inflationary factor of 19.4%
Total cost for 117 titles: $745,058,934.67
Average cost per title: $6,368,025.08

Fiscal Year 2002-2007
Total cost for 117 titles: $1,109,392,753.72
Average cost per title: $9,481,989.35

Fiscal Year 2008-2013
Total cost for 117 titles: $1,651,885,810.28
Average cost per title: $14,118,682.14

There are two basic differences in the calculation of the eight-year costs from those used for the six-year cycle. First, the replacement factor would be adjusted to reflect the specific subject areas which were

identified as feasible for adoption every eight years. Staff analysis showed that 26% of the subject areas identified for the eight-year cycle would be subjected to high wear and tear. They would have an average replacement factor of 92.5%. The remaining 74% of the subject areas on the eight-year cycle would have low utilization. For this reason they would be able to withstand usage over eight years without the extraordinary replacement factor identified for high use books. To adjust for the higher replacement factor for 26% of the books, a weighted average was calculated. The eight-year replacement factor resulting for this calculation was 45.9%.

The second difference in cost calculations for the eight-year cycle is an adjustment for inflation. If an eight-year cycle were required by the state legislature, a contract period of eight years for such books would be appropriate. This would lock in the bid price for the entire eight years. Under the previous eight-year cycle, contracts could not extend for longer than six years, forcing a readoption period of at least two years. Publishers could raise the price for the seventh and eighth years, or longer. This resulted in sharply higher unit costs for the extra years as compared with bid prices for the initial six-year contract. If legislative mandate for an eight-year contract were enacted, then two years of inflationary increase would be delayed until the beginning of the next eight-year cycle.

Based on these calculations, the state would expend $152,861,626.94 for the first eight-year cycle for the eight-year bid prices for 93 titles, plus $70,163,486.77 for replacements after adjustment due to low utilization for these titles, for a total of $223,025,113.71. During the first cycle only, there would be a deferral of two years of inflation since prices would be locked in for eight years. To represent this savings, the first cycle cost was reduced by $15,388,732.85, for an adjusted total of $207,636,380.86. However, this deferral would be made up by a full inflationary increase of 27% on the original base of $152,861,626.94 as publishers sought to recoup any inflationary increase over the period. The cost profile for the eight-year cycle would be as follows if these assumptions were met: (a) the consumer price index rose 3% each year, (b) publishers' bid prices approximated the rise in the consumer price index, (c) intensity of utilization by students did not increase, (d) advances in curriculum and research did not accelerate, and (e) the projected enrollment increases were realized.

Fiscal Year 1990-1997

8-year contract based on bid price of titles adopted, **plus**
45.9% replacement factor using low utilization adjustment
less 6.9% deferred inflationary factor
Total cost for 93 titles: $207,636,380.86
Average cost per title: $2,232,649.26

Fiscal Year 1998-2005

8-year contract based on bid prices of titles adopted, **plus**
45.9% replacement factor, plus full inflationary increase of
27% on original base
Total cost for 93 titles: $385,610,421.60
Average cost per title: $4,146,348.62

Fiscal Year 2006-2013

Total cost for 93 titles: $666,720,418.95
Average cost per title: $7,169,036.76

To determine total cost savings, the analysis considered the 93 titles identified as viable for adoption on an eight-year cycle with cost factors of a six-year cycle, e.g., 29.5% replacement factor and 19.4% compounded inflation rate. The graphic below reflects the costs for the 93 titles for 3 eight-year cycles compared to the costs for the same 93 titles for 4 six-year cycles.

Costs for 3 Eight-Year Cycles	Costs for 4 Six-Year Cycles
	$ 197,955,806.89
$ 207,636,380.86	294,756,196.46
385,610,421.60	438,891,976.53
666,770,418.95	653,510,153.05
$1,259,967,221.41	$1,585,114,132.93

$1,585,114,132.93	Cumulative Total for 4 Six-Year Cycles (93 Titles)
$1,259,967,221.41	Cumulative Total for 3 Eight-Year Cycles (93 Titles)
$ 325,146,911.52	Savings of 3 Eight-Year Cycles as Compared with 4 Six-Year Cycles
$ 13,547,787.98	Savings per year over a 24-Year Period

This comparison of the same 93 subject areas on a six-year and eight-year cycle indicated that a cost savings of $13,547,788 per year could be realized if these 93 subject areas were adopted on an eight-year as compared with a six-year cycle. This cost estimate is based on the assumptions stated in the report, including an inflation rate of 3% per year; publishers' bid prices approximating the rise in the inflation rate; continuation of the same rates of usage, changes in curriculum and changes in instructional strategies; and realization of projected enrollment increases.

Conclusion and Recommendation

The State Board of Education strongly affirms the need to adopt the majority of textbooks on a six-year cycle due to advances in technology, changes in curricular content, and changes in instructional methodologies. Use of textbooks in areas with rapid changes for longer than six years would preclude achievement of quality education for the children of Texas. Textbooks in these areas must be updated so that Texas students may be prepared to live and work in the Texas of the 21st century. The State Board of Education continues to support fully the action of the Sixty-Eighth Texas Legislature which mandated that six years be the longest that any textbook should be used by the school children of this state.

The State Board of Education therefore recommends that:

The six-year textbook adoption cycle be maintained to ensure that textbooks are current in curriculum and instructional methodologies. Because of the knowledge explosion, the six-year cycle is critical to guarantee students have textbooks that are as up-to-date as possible.

II. Prepaid Freight

The Depository System

For school year 1987-88 and school year 1988-89, the legislature appropriated $1,179,750 and 1,179,750, respectively, for textbook freight. These amounts are used for three purposes: (1) to ship new textbooks to the state's 1,067 school districts from each of the seven textbook depositories in Dallas County; (2) to ship surplus textbooks from the state's school districts to the State Textbook Depository in Austin; and (3) to redistribute surplus textbooks to the state's public schools from the State Textbook Depository.

The *Texas Education Code*, Section 12.31(a), states that "all parties with whom existing book contracts have been or hereafter may be made shall establish or designate a depository in some city of this state approved by the State Board of Education as the shipping point for depositories, where a stock of their goods to supply all immediate demands shall be kept." On this point, the State Board of Education's rules for textbooks [19 TAC Section 81.164(a)(5)] stipulate an approved depository is one whose address has been approved by the Railroad Commission for lot shipment purposes. The addresses approved by the Railroad Commission for lot shipments are in three cities in Dallas County: Carrollton, DeSoto, and Dallas. Four of the seven approved Dallas County textbook depositories are publisher owned, and three are independently owned. The State Textbook Depository is owned by the state and is operated by the Textbook Division of the Texas Education Agency in Austin.

A "lot shipment" is a consolidated shipment. For example, a school district may order textbooks which are housed in several different depositories in Dallas County. Rather than ship separate orders to the school district from each of these depositories, a freight company consolidates the textbooks from each of these depositories into one shipment, i.e., a "lot shipment," and then ships the books to the school district in one delivery. This provides for minimal paperwork for the school district, the publisher, the freight company, and the Textbook Division at the Texas Education Agency. It also provides for a minimum number of scheduled shipments from the depositories to the school districts. Accountability to the Texas Education Agency, the school districts, and the textbook publishers also is enhanced.

Additionally, lot shipments are not as costly as non-lot shipments. To illustrate, textbook shipments are their heaviest during the summer months because schools are ordering new textbooks for the upcoming school year. The total weight of textbooks shipped to all school districts during a typical summer week of shipments would be approximately 1.9 million pounds. Without lot shipments, the cost to the state would be approximately $68,500; with lot shipments, however, the cost to the state would be approximately $50,100.

As required by law, each publisher who provides textbooks to Texas public schools either establishes an approved depository or contracts with an approved depository in Dallas County for the contract (adoption) period of the publisher's textbooks. The contract prices the State Board of Education has with publishers for adopted textbooks include the freight costs to the publishers to ship their textbooks either from their national distribution sites or manufacturing sites to a central depository within Dallas County. Since each publisher deals with one of the seven depositories in Dallas, single shipments of textbooks are sent by the publishers to keep an adequate stock of their goods to supply all immediate textbook demands in Texas.

Ordering, Shipping, and Distributing Textbooks

The present process for textbook ordering, shipping and distributing involves the publishers, school districts, the Textbook Division of the agency, and the textbook depositories.

a. Process for Publishers

(1) Publishers contract with the state to provide new textbooks to school districts through the depository system on a bid price which includes interstate freight costs from the publisher's textbook manufacturer or national warehouse shipping point to the designated Dallas County depository.

(2) Publishers contract with an approved Dallas County depository (a) to warehouse its textbooks for the adoption cycle and (b) to ship textbooks to school districts as orders are placed by the Textbook Division during each textbook's entire adoption cycle.

b. Process for Textbook Depositories (Dallas County)

In those instances where a publisher does not maintain its own depository, a depository is contracted to represent the publisher as follows:

(1) Receive interstate bulk shipments from client publisher's designated national shipping point, e.g., national textbook manufacturer's site or national warehouse sites for the publishing company or its corporate offices.

(2) Warehouse an adequate stock of goods to fill the requisitions for textbooks to school districts in the state. The depository acts as the "middle man" for its client publishers and maintains control on inventory in its warehouse. The independent depository is paid, on the average, slightly more than 4% of the value of textbook inventory warehoused/sold by the client publisher.

(3) Ship textbook orders to school districts.

(4) Submit payment requests to the Textbook Division for each of its client publishers which has had textbooks shipped to Texas school districts.

(5) Inform client publishers under contract with the State Board of Education when inventory needs replenishing to meet the textbook demands of the state. Stock orders are usually placed by the depository in February in preparation for the shipping season which begins in June.

(6) Select the most economical means of transporting shipments to school districts.

(7) Resolve shipping errors and damaged shipments as may be reported by the school districts which receive textbook shipments.

(8) Distribute funds to client publishers if agreed by the publishers from payments made by the Textbook Division for books shipped and received.

In those instances where a publisher owns its own depository in Dallas County, the process is identical except for the contracting with a depository.

c. Process for School Districts/Textbook Division (TEA)

(1) School districts submit orders to the Textbook Division where they are validated against pupil enrollment and existing textbook quotas. This process allows the Textbook Division to ensure

that school districts order state-adopted textbooks and ensure compliance with established textbook quotas. The Textbook Division submits orders to five depositories via computer tape and to two depositories via paper forms. It is anticipated that electronic transmission of orders to the remaining two depositories will be achieved in time to process orders for school year 1990-91.

(2) The Textbook Division assigns shipment dates to district orders for depository(ies) to process as one or two shipments to arrive in the school district(s) on the scheduled dates. School districts contact depositories directly to resolve shipment errors. The Textbook Division pays freight charges (intrastate) for orders shipped from depositories in Dallas County.

The State Textbook Depository (Austin)

The State Textbook Depository redistributes surplus current-adoption textbooks, braille books, large-type books, and tangible apparatus to the public school districts of Texas. The braille books, large-type books, and tangible apparatus are for use by the blind and visually-handicapped students. Tangible apparatus includes such items as braille writing and embossing equipment, electronic devices, low-vision stimulation materials, reading readiness materials, and many other educational aids. Current-adoption textbooks, braille books, large-type books, and tangible apparatus that are surplus, badly worn, or otherwise not needed by the public schools are shipped by those school districts to the depository which, in turn, redistributes them to those school districts with shortages. All orders from school districts for either regular textbooks, braille textbooks, large-type textbooks, or tangible apparatus are processed first by the State Textbook Depository. If an order can be filled from the depository's inventory, then the Textbook Division does not have to purchase additional textbooks from the publishers nor does it have to purchase additional braille textbooks, large-type textbooks, and tangible apparatus from the vendors.

This redistribution effort provides a cost savings to the state. For example, from June 1987 through February 1988, the State Textbook Depository redistributed 594,761 textbooks valued at $6,820,800.20. From June 1986 through February 1987, the State Textbook Depository redistributed 452,061 textbooks valued at $6,076,904.37. Similarly, for school year 1987-88, the depository shipped 557 orders for braille textbooks and 1,893 orders for large-type textbooks at a total value of $203,217.96. For school year 1986-87, the depository shipped 458 orders for braille textbooks and 1,695 orders for large-type textbooks at a total value of $136,037.54. From January 1987 until December 1987, the State Textbook Depository filled 310 orders for tangible apparatus.

The refurbishing of worn-out textbooks also provides a cost savings to the state. From September 1985 through August 1986, 48,175 worn-out textbooks received at the depository from the school districts were repaired at an average cost of $1.21 per book. The average cost of a new textbook during this time period was $11.19 thereby compiling a savings to the state of $480,786.50. From September 1986 through August 1987, 55,453 textbooks were repaired at an average cost of $1.05 per book. The average cost of a new textbook during this time period was $12.23 thereby compiling a savings to the state of $619.964.54. Once refurbished, these textbooks are placed in the depository's inventory for redistribution to the state's school districts. However, those textbooks too badly worn to be refurbished for reuse in the schools are sold for recycling and the income is deposited in the State Textbook Fund.

Contracting for Prepaid Freight: The Elimination of the Textbook Depository System

To contract with publishers on a freight prepaid basis would cause the present textbook depository system to become obsolete. Instead, the Textbook Division and each public school district would interface directly with each individual publisher for textbook shipments as opposed to the seven Dallas County depositories. To determine if the elimination of the textbook depository system would have a financial impact—either negatively or positively—on the textbook publishers and on the school districts, a sample of school districts (130) and textbook publishers was surveyed. Following is a discussion of the survey results and discussion of the financial impact on the state.

If the textbook depository system were eliminated to facilitate the contracting directly with textbook publishers on a freight prepaid basis, the state apparently would save approximately $1 million on intrastate freight costs since the agency would not be shipping textbooks from the Dallas County textbook depositories to the school districts throughout the state. Since textbooks would be shipped directly to school districts in Texas, the publishers would no longer encounter the commissions and administrative overhead costs now expended by publishers who utilize an independent depository or operate their own depository in Dallas. Conceivably, publishers could pass on these cost savings to the state in their textbook prices. All of these factors appear to support the notion contained in HCR 84 that contracting with publishers on a prepaid freight basis would be more cost effective to the state.

Even though there may be a cost elimination in excess of $1 million for intrastate freight, contracting with publishers on a prepaid freight basis still would create additional costs for the publishers and school districts in the state.

a. Impact to Publishers

(1) Publishers still would incur some of the current depository costs for administration, office staff, warehouse space, and communications at a national distribution site in order to carry out the same distribution functions as currently performed at a Dallas County depository. For example, the publisher would have to ship the textbooks printed from the textbook manufacturer to a national shipping point; warehouse the inventory; establish adequate computer equipment to process orders from the Textbook Division; prepare individual shipments to as many school districts as may adopt the publisher's textbook(s) and repeat the process based on the supplemental orders which will follow during a school year. Many publishers would have to increase their manpower and warehousing capability to handle the influx of orders that would be arriving. All publishers also would have to deal with increased paperwork and administrative overhead costs.

Although cost increases for some large publishers might be minimal due to economies of scale, the majority of the savings, if any, would be from elimination of the profit margin of the three independently owned depositories. Smaller publishers could incur high additional costs due to diseconomies of scale associated with distribution of small number of books. It is estimated that the overall costs to publishers would be $2 million in addition to the costs transferred from current contracts with independent depositories.

(2) Some of the publishers' cost savings would be offset by higher processing and shipping costs. Publishers no longer would process one or two large shipments to their selected depository in

Dallas to establish a sufficient inventory for the upcoming school year. Instead, publishers would have to process single shipments to each of the school districts which order their textbooks. In effect, the division would place orders for textbooks with numerous publishers which, in turn, would translate to single interstate shipments from each of the publishers not based in Texas. Interstate freight costs would escalate for these publishers since individual shipments would be made to each school district. A number of shipments per order would mean smaller individual shipment sizes resulting in an increased cost per pound shipped. Moreover, since many shipments would be made from outside Texas to numerous school districts in the state rather than from one depository, the increased distance, coupled with the increased number of shipments, likely would offset any savings that come from using interstate tariff rates. Intrastate rates would increase for Texas-based publishers also.

For example, utilizing data provided by a survey of textbook publishers, a cost impact review was conducted. Five of the larger publishing companies, i.e., companies with a volume of sales per year in excess of $2 million, were used for the cost impact review. The review shows that these five companies, reflected as Company A through E in Illustration 3, paid an average of 8 cents per textbook for interstate freight charges in 1987-88, and estimate an average of 12 cents per textbook in 1988-89 under the present system. These figures on interstate freight charges are based on bulk shipments to the respective Texas textbook depository which distributes the textbooks for each of the companies. According to the survey, the number of distribution sites (shipping points) used by these publishing companies total 24 sites in 9 states. However, if publishers were to ship directly to each school district, they estimate the average interstate freight charge per textbook shipped to each school district would be 46 cents (Illustration 3). Based on data provided by these publishing companies, it is estimated that interstate freight charges for these publishing companies would increase by approximately $1.8 million. The total increase for all publishers would be higher.

b. Impact to School Districts

(1) There would be a greater potential for back orders for school districts. Orders would have to be placed by the Textbook Division by computer tape. Many of the publishers, especially the smaller ones, do not have the capability to process computer-tape orders. These publishers would be required to utilize a service bureau to transcribe the computerized orders onto paper for processing. The potential for back orders is great because service bureaus operate in the open market, and publishers would not be guaranteed immediate computer services to process the textbook orders contained in the computer tapes submitted by the Textbook Division.

(2) Direct interface with each publisher rather than with the Dallas County depositories would require many school districts to have a full-time freight/warehouse manager to place the orders with numerous publishers and to receive the orders. If school districts received several truckloads at one time, or if shipments were sent when textbook personnel were not available in a district, funds from one source or another would have to be expended. For example, either the freight costs would be greater because of time delays in the unloading of shipments or part-time employees would be hired to process shipments which might come at unannounced dates from one or more publishers.

(3) Every school district which experienced a shipment error would have to contact each of the publishers which committed the error. This also would appear to be a significant responsibility for school districts when consideration is given to the numerous orders submitted and shipments received from all of the publishers which provide the textbooks ordered. This demand further corroborates the need for a full-time freight/warehouse manager in the larger school districts.

(4) School districts would experience an inordinate paperwork burden as well as the need for additional staff. A preliminary time and effort calculation by the Ad Hoc Committee on the Operation of the Texas Textbook System indicates that these demands would cost the school districts an additional $5 million.

c. Impact to the State

(1) The increased expenditure level for publishers' interstate freight costs (minimum of $1.8 million) and their administrative costs ($2 million) would have to be absorbed by the state appropriations earmarked for purchasing textbooks through higher bid prices.

(2) Direct interface with each publisher rather than with the Dallas County depositories would require the Textbook Division to prepare as many computer tapes as there are publishers who are to provide textbooks for 1,067 school districts in the state. This demand could be met only by augmenting the staff and the computer system of the Textbook Division.

Conclusion and Recommendations

Based on the magnitude of the manpower and financial costs which would emanate from contracting with publishers on a prepaid freight basis, the State Board of Education recommends to the Seventy-First Texas Legislature as follows:

- **The present textbook depository system be maintained.**
- **The board not be required to contract with textbook publishers on a freight prepaid basis.**

TEXAS LEGISLATIVE COUNCIL
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ENROLLED

H.C.R. No. 84

HOUSE CONCURRENT RESOLUTION

WHEREAS, Choosing from a list approved by the State Board of Education, local school districts provide textbooks for all public school students without charge to the students or to the schools; and

WHEREAS, About half of the state's biennial budget has traditionally been set aside for education, and textbook purchase is an important factor in the total; in the current biennium, more than $185 million was appropriated for the state textbook fund; and

WHEREAS, Contracts for textbooks adopted by the State Board of Education are written for a maximum period of six years, a statutorily defined limit that balances financial considerations with the need for current information presented in an up-to-date manner; and

WHEREAS, While this six-year limit is appropriate for textbooks in many areas, such as science and health, a longer period may be acceptable for textbooks in other subjects, such as spelling, typing, and reading; and

WHEREAS, In addition to the cost of buying new textbooks, the cost of delivering the books to local school districts is a significant expense incurred by the state; in just one year, the state will spend $1 million in freight for textbooks; and

WHEREAS, The State of Texas is currently in the midst of a severe budgetary crisis, and it is imperative that the legislature consider all reasonable means of reducing costs without

compromising the quality of its services; now, therefore, be it

RESOLVED, That the 70th Legislature of the State of Texas hereby request the State Board of Education to study the feasibility of an eight-year cycle for the adoption of certain textbooks; and, be it further

RESOLVED, That the board include in its study consideration of subject areas for which adoption of eight-year textbook contracts may be feasible, procedures for implementing eight-year contract periods for a portion of state-approved textbooks, estimates of cost reductions resulting from lengthening the contract period for certain textbooks, and any other matter deeme appropriate by the board; and, be it further

RESOLVED, That the board also conduct a study of the costs of textbook distribution and consider methods for reducing these distribution costs; the board should specifically consider the feasibility of contracting with textbook publishers on a freight prepaid basis; and, be it further

RESOLVED, That the board make a complete report of its findings and recommendations to the 71st Legislature when it convenes in January 1989; and, be it further

RESOLVED, That an official copy of this resolution be prepared and forwarded to the chairman of the State Board of Education as an expression of the wishes of the Legislature of the State of Texas.

Crusendorf

ILLUSTRATION 1

LIST OF TITLES WHICH COULD POSSIBLY BE
ADOPTED ON A SIX-YEAR CYCLE

New Adoptions	Projected Cost
1989-90	
Recordkeeping	498,415.68
Accounting	734,281.08
Advanced Accounting	114,100.00
World Geography Studies	1,817,255.59
Environmental Science	397,800.00
Spanish, Grades 7-8	935,500.00
Literature Grade 7	5,574,766.00
Literature Grade 8	5,013,027.52
Literature I H.S.	4,649,201.84
Literature II H.S.	722,376.30
Literature, III H.S.	4,443,699.24
Literature, IV H.S.	3,589,958.91
Total for 12 Titles	$28,490,382.16
1990-91	
Algebra I	5,753,874.45
Algebra II	3,523,152.51
Health Grade 4	5,353,130.20
Health Grade 5	5,373,162.90
Health Grade 6	5,339,702.14
Health Grade 7-8	7,294,000.00
World History Studies	7,123,237.80
Language and Composition Grade 1 (consumable)	3,235,406.67
Language and Composition Grade 2 (consumable)	2,530,664.25
Language and Composition Grade 3	6,544,454.85
Language and Composition Grade 4	6,320,282.96
Language and Composition Grade 5	6,381,843.30
Language and Composition Grade 6	6,398,873.60
Language and Composition Grade 7	6,088,920.60
Language and Composition Grade 8	5,706,470.40
Physiology and Anatomy	414,215.01
Geology	230,904.17
Total for 17 Titles	$83,612,295.81
1991-92	
Mathematics, Grade 1 (consumable)	5,429,234.79
Mathematics, Grade 2 (consumable)	4,814,833.59
Mathematics Grade 3	7,884,732.65
Mathematics Grade 4	7,632,278.99
Mathematics Grade 5	7,368,255.00

Mathematics Grade 6	7,188,715.80
Mathematics Grade 7	7,523,063.20
Mathematics Grade 8	6,823,938.48
Mathematics Grade 1 Spanish (consumable)	823,896.53
Mathematics Grade 2 Spanish (consumable)	749,184.69
Mathematics Grade 3 Spanish	938,284.08
Mathematics Grade 4 Spanish	749,511.30
Mathematics Grade 5 Spanish	641,081.65
Science Learning System Grade 1 (English)	6,523,857.86
Science Learning System Grade 2 (English)	6,420,187.02
Science Learning System Grade 1 (Spanish)	832,094.90
Science Learning System Grade 2 (Spanish)	837,551.26
Science Grade 3	6,520,137.55
Science Grade 4	6,864,493.46
Science Grade 5	7,014,982.50
Science Grade 6	6,979,208.60
Science Grade 3 (Spanish)	671,502.32
Science Grade 4 (Spanish)	570,609.90
Science Grade 5 (Spanish)	516,216.96
Introductory Biology	2,212,486.87
Biology I	8,391,491.56
Biology II	686,192.57
Business Data Processing	1,057,351.20
Introduction to Computer Programming	779,155.86
Elementary Analysis	366,117.44
Probability and Statistics	19,381.92
	$115,830,030.50

Total for 31 Titles

1992-93

Life Science Grade 7	4,494,865.16
Computer Literacy Grade 7	4,054,001.94
Office Procedures	458,674.20
Calculus	618,210.72
Fundamentals of Mathematics	1,676,155.12
U.S. History H.S.	5,267,725.66
Computer Mathematics I	631,168.20
Correlated Language Arts I	2,753,178.88
Correlated Language Arts II	2,170,968.41
Correlated Language Arts III	1,986,927.72
Correlated Language Arts IV	1,857,622.40
Total for 11 Titles	$25,969,498.41

1993-94

Computer Science I	308,151.69
Mathematics for Consumer Economics	1,760,528.46
Pre-Algebra	4,428,041.92
Informal Geometry	1,325,655.87
Personal Business Management	847,931.70
Consumer Mathematics	1,753,196.61
Basal Readers Readiness (consumable)	1,460,955.60

Basal Readers, Pre-Primer -Grade 8	36,543,811.10
Earth Science 7	4,693,786.08
Health Education, H.S.	5,138,137.80
United States Government, H.S.	3,800,397.92
Computer Science II	29,892.24
Health Teacher Resource Book Grades 1-3	1,426,512.00
Chemistry I	1,706,014.44
Chemistry II	294,529.30
Advanced Typewriting, Word Processing	270,558.40
Basal Readers, Readiness Spanish (consumable)	218,285.80
Basal Readers, Pre-Primer - Grade 5 (Spanish)	4,899,498.08
Typewriting H.S.	2,340,177.25
Pre-Calculus	235,490.58
Total for 20 Titles	$73,481,552.84

1994-95

Business Communications	40,545.72
Pre Kindergartem Learning System (English)	214,200.00
Pre Kindergartem Learning System (Spanish)	963,900.00
Kindergarten Learning System (English)	4,095,200.00
Kindergarten Learning System (Spanish)	991,692.66
Social Studies Learning System Grade 1 (English)	3,135,243.23
Social Studies Learning System Grade 1 (Spanish)	599,940.00
Social Studies Learning System Grade 2 (English)	3,037,048.14
Social Studies Learning System Grade 2 (Spanish)	594,260.38
Social Studies Grade 3	4,406,331.15
Social Studies Grade 4	4,877,405.61
Social Studies Grade 5	5,219,512.65
Social Studies Grade 6	5,242,495.11
Social Studies Grade 3 (Spanish)	488,768.84
Social Studies Grade 4 (Spanish)	446,706.90
Social Studies Grade 5 (Spanish)	416,051.23
Reading Improvement, Grade 7	1,771,431.65
Reading Improvement, Grade 8	1,660,821.80
Physics I	542,245.41
English Composition I-IV	9,801,895.92
Geometry	4,068,844.80
Trigonometry	858,944.04
Business & Consumer Law	295,277.66
Analytic Geometry	288,300.00
Physical Science	4,218,090.22
Introductory Physical Science	731,338.80
Total for 26 Titles	$59,006,491.92

Grand Total 117 Titles $386,390,251.64

ILLUSTRATION 2

LIST OF TITLES WHICH COULD POSSIBLY BE
ADOPTED ON AN EIGHT-YEAR CYCLE

New Adoptions	Projected Cost
1989-90	
Art I H.S.	1,577,868.60
Art II H.S.	373,064.67
Art III H.S.	225,000.00
Art IV H.S.	150,000.00
Spanish Level I	2,556,132.70
Spanish Level II	1,401,454.16
Spanish Level III	197,501.50
Spanish Level IV	334,099.34
Theatre Arts I H.S.	253,275.00
Theatre Arts II H.S.	168,850.00
Theatre Arts III H.S.	84,425.00
Theatre Arts IV H.S.	599,750.00
Choral Music II H.S.	359,850.00
Choral Music III H.S.	135,924.34
Choral Music IV H.S.	119,614.14
English as a Second Language System 1-2	2,516,000.00
English as a Second Language System 3-5	2,230,800.00
Music Learning System, Grade 1	5,384,100.00
Music Learning System, Grade 2	4,803,900.00
Vocal Music, Grade 3	3,045,804.96
Vocal Music, Grade 4	2,996,158.08
Vocal Music, Grade 5	3,097,777.55
Vocal Music, Grade 6	3,024,248.15
Art, Teacher Resource Book, Grades 1-3	2,444,100.10
Art, Teacher Resource Book, Grades 4-6	2,542,260.00
Theatre Arts Grades 7-8	651,643.26
Debate I	214,800.00
Total for 27 Titles	$41,488,401.55
1990-91	
Band Level I	1,384,125.60
Band Level II	701,342.40
Orchestra I	90,213.20
Orchestra II	81,034.80
Marine Science	317,994.52
English as a Second Language System 6-8	1,133,000.00
English as a Second Language System 9-12	844,000.00
Personal Finance	179,438.88
Business Management and Ownership	93,747.50
Total for 9 Titles	$4,824,896.90

1991-92

Speech Grades 7-8	1,047,653.50
Business Mathematics	116,193.96
Total for 2 Titles	$1,163,847.46

1992-93

U.S. History Grade 8	4,851,850.64
Public Speaking I	180,720.90
Public Speaking II	139,023.90
Public Speaking III	2,908.62
Journalism	1,857,622.40
Advanced Journalism: Newspaper Production	590,260.78
Photo Journalism	188,066.74
Total for 7 Titles	$7,810,453.98

1993-94

Driver Education H.S.	2,723,361.75
German I	192,509.35
German II	136,503.36
German III	57,581.36
Sociology	757,815.62
Psychology	928,838.05
Total 6 Titles	$4,796,609.49

1994-95

Art Grades 7-8	2,400,962.40
Economics with Emphasis on Free Enterprise	4,420,955.76
Supplementary Readers, Pre-Primer - 6	41,914,797.87
Supplementary Readers, Pre-Primer - 5 (Spanish)	4,176,308.02
Shorthand	187,156.40
Advanced Shorthand	8,131.92
Total for 6 Titles	$53,108,312.37

1995-96

Typing Grade 7	266,672.35
Handwriting Grade 1	1,053,618.44
Handwriting Grade 2	936,271.93
Handwriting Grade 3	1,038,834.61
Handwriting Grade 4	968,822.04
Handwriting Grade 5	931,781.22

Handwriting Grade 6	950,160.66
Physical Education Teacher Resource Book Grade 1-3	1,426,512.00
Theatre Arts, Teacher Resource Book Grade 1-3	573,390.00
Theatre Arts, Teacher Resource Book Grade 4-6	452,696.44
Texas History and Geography Grade 7	6,264,618.72
Latin I	265,111.28
Latin II	183,181.83
Advanced Latin	61,123.72
French I	1,128,178.90
French II	723,738.61
French III	135,533.04
Total for 17 Titles	$17,360,245.79

1996-97

Spelling Grade 1 (consumable)	2,079,311.86
Spelling Grade 2	3,457,899.00
Spelling Grade 3	3,179,550.00
Spelling Grade 4	2,997,100.00
Spelling Grade 5	2,892,488.50
Spelling Grade 6	287,400.00
Spelling Grade 7	2,710,794.33
Spelling Grade 8	2,577,623.78
Spanish as a Second Language System Grade 1	35,191.20
Spanish as a Second Language System Grade 2	33,191.70
Spanish as a Second Language System Grade 3	70,582.35
Spanish Grade 4	90,455.40
Spanish Grade 5	94,890.60
Spanish Grade 6	115,137.60
Vocal Music Grade 7	215,673.44
Vocal Music Grade 8	191,893.84
Choral Music, Grades 7-8	871,398.00
Introduction to Speech Communication H.S.	408,277.80
Total for 18 Titles	$22,308,859.40
Grand Total 93 Titles	$152,861,626.94

COST IMPACT REVIEW
(Source: SURVEY OF TEXTBOOK PUBLISHERS UNDER CONTRACT WITH SBOE IN TEXAS)

PRESENT SYSTEM
From Dallas to School Districts (State Cost)

PUBLISHING COMPANY	1987-88 *1	2	3	1988-89 ESTIMATES *1	2	3
A	2,974,232	$ 319,223	11¢	3,591,429	$ 354,000	10¢
B	839,727	17,755	2¢	421,000	7,402	2¢
C	209,095	9,000	4¢	241,254	9,000	4¢
D	2,910,000	103,050	4¢	508,000	90,000	18¢
E	525,000	101,000	19¢	825,000	199,000	24¢
OVERALL	7,458,054	$550,028	8¢	5,566,683	$ 659,402	12¢

PREPAID FREIGHT SYSTEM
From Publisher's Distribution Points to School Districts (Publisher Cost)

A	N/A	N/A	3,571,429	$ 1,500,000	42¢
B	N/A	N/A	421,000	34,500	8¢
C	N/A	N/A	241,000	15,000	6¢
D	N/A	N/A	508,000	120,000	24¢
E	N/A	N/A	825,000	875,000	$ 1.06
OVERALL	N/A	N/A	5,566,683	$ 2,544,500	46¢

AVERAGE INTERSTATE FREIGHT COST PER TEXTBOOK

PRESENT SYSTEM
12 CENTS

PREPAID FREIGHT SYSTEM
46 CENTS

***1 NUMBER OF TEXTBOOKS SHIPPED TO A TEXAS DEPOSITORY**
2 INTERSTATE FREIGHT CHARGES PAID TO SHIP TEXTBOOKS
3 AVERAGE INTERSTATE FREIGHT CHARGE PER TEXTBOOK SHIPPED

COMPLIANCE STATEMENT

TITLE VI, CIVIL RIGHTS ACT OF 1964; THE MODIFIED COURT ORDER, CIVIL ACTION 5281, FEDERAL DISTRICT COURT, EASTERN DISTRICT OF TEXAS, TYLER DIVISION

Reviews of local education agencies pertaining to compliance with Title VI Civil Rights Act of 1964 and with specific requirements of the Modified Court Order, Civil Action No. 5281, Federal District Court, Eastern District of Texas, Tyler Division are conducted periodically by staff representatives of the Texas Education Agency. These reviews cover at least the following policies and practices:

(1) acceptance policies on student transfers from other school districts;

(2) operation of school bus routes or runs on a non-segregated basis;

(3) nondiscrimination in extracurricular activities and the use of school facilities;

(4) nondiscriminatory practices in the hiring, assigning, promoting, paying, demoting, reassigning, or dismissing of faculty and staff members who work with children;

(5) enrollment and assignment of students without discrimination on the basis of race, color, or national origin;

(6) nondiscriminatory practices relating to the use of a student's first language; and

(7) evidence of published procedures for hearing complaints and grievances.

In addition to conducting reviews, the Texas Education Agency staff representatives check complaints of discrimination made by a citizen or citizens residing in a school district where it is alleged discriminatory practices have occurred or are occurring.

Where a violation of Title VI of the Civil Rights Act is found, the findings are reported to the Office for Civil Rights, U.S. Department of Education.

If there is a direct violation of the Court Order in Civil Action No. 5281 that cannot be cleared through negotiation, the sanctions required by the Court Order, are applied.

TITLE VII, CIVIL RIGHTS ACT OF 1964; EXECUTIVE ORDERS 11246 AND 11375; TITLE IX, 1973 EDUCATION AMENDMENTS; REHABILITATION ACT OF 1973 AS AMENDED; 1974 AMENDMENTS TO THE WAGE-HOUR LAW EXPANDING THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967; AND VIETNAM ERA VETERANS READJUSTMENT ASSISTANCE ACT OF 1972 AS AMENDED IN 1974.

It is the policy of the Texas Education Agency to comply fully with the nondiscrimination provisions of all federal and state laws and regulations by assuring that no person shall be excluded from consideration for recruitment, selection, appointment, training, promotion, retention, or any other personnel action, or be denied any benefits or participation in any programs or activities which it operates on the grounds of race, religion, color, national origin, sex, handicap, age, or veteran status (except where age, sex, or handicap constitute a bona fide occupational qualification necessary to proper and efficient administration). The Texas Education Agency makes positive efforts to employ and advance in employment all protected groups.

TEXAS EDUCATION AGENCY
1701 NORTH CONGRESS AVENUE
AUSTIN, TEXAS 78701

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